Alberta Economy

Indicators at a Glance

NEW: Economic Activity

The Alberta Activity Index jumped 2.2% in May, and has climbed 10% since its May 2016 low. In 2016, Alberta's real GDP by industry fell by 3.8%, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,291,980 as of April 1, 2017, an increase of 1.4% from the year prior. Canada's population grew 1.2% from a year ago.

Migration

Net migration to Alberta was 4,693 in the first quarter of 2017. During this time, Alberta welcomed 7,085 net international migrants. However, there was a net outflow of interprovincial migrants (-2,392), the sixth consecutive quarterly decline.

NEW: Employment[1]

Alberta lost 14,400 jobs in July, with losses in both part-time (-2,200) and full-time positions (-12,200). Employment increased 1.5% year-over-year (y/y).

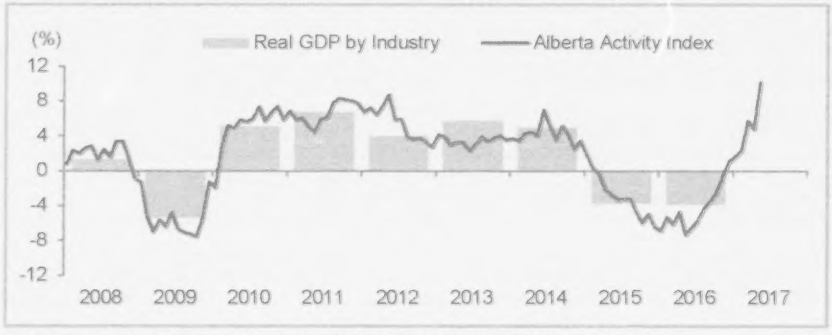
NEW: Unemployment Rate[1]

Alberta's unemployment rate increased 0.4 percentage points to 7.8% in July. Canada's unemployment rate ticked down 0.2 percentage points to 6.3%.

NEW: Rigs Drilling

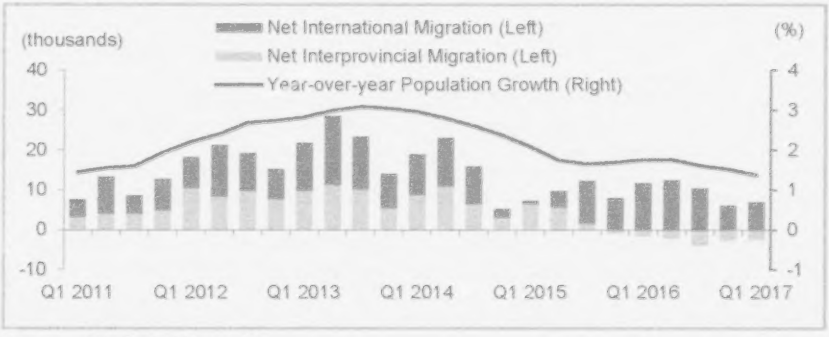
The number of active rigs in Alberta averaged 119 in July, 40% below the height of the winter drilling season in January but more than double the same month last year.

Economic Activity
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly

Source: Statistics Canada

Alberta Government

August 4, 2017
Treasury Board and Finance
Economics and Revenue Forecasting

Inflation

The Alberta Consumer Price Index (CPI) rose 0.4% y/y in June, down from 1.2% in May, as energy prices declined. The Canadian inflation rate also slowed in June to 1.0%.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta fell by 0.4% in May to $1,120, with both goods (-1.4% m/m) and service sector earnings (-0.1% m/m) declining.

Retail Sales[1]

Alberta retail sales increased by 1.6% m/m to $6.8 billion in May. Retail sales grew 9.0% y/y, the sixth consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts were down 5.3% m/m in June to 30,839 units (annualized). Housing starts increased 27% y/y. Single-family starts rose 51% y/y and multi-family starts were up 21% y/y.

New Housing Price Index

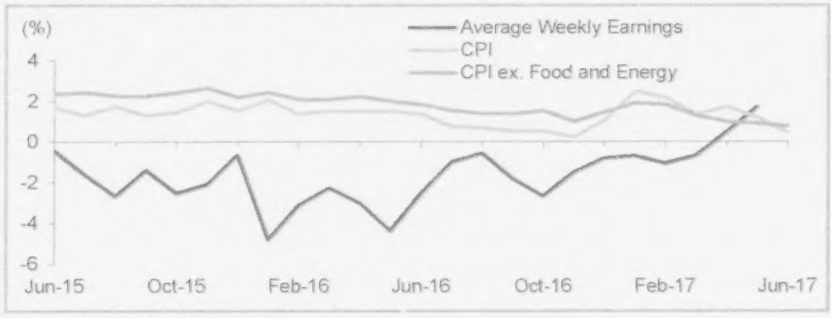
Alberta's New Housing Price Index (NHPI) edged down 0.2% in May and was down 0.8% y/y. The house-only component was down 1.2% y/y, while land prices were unchanged from the year prior.

Building Permits[1]

Alberta building permits increased 18% m/m in May to $1.2 billion. Building permits were up 16% y/y. Non-residential permits dropped 5.3% y/y and residential permits increased 34% y/y.

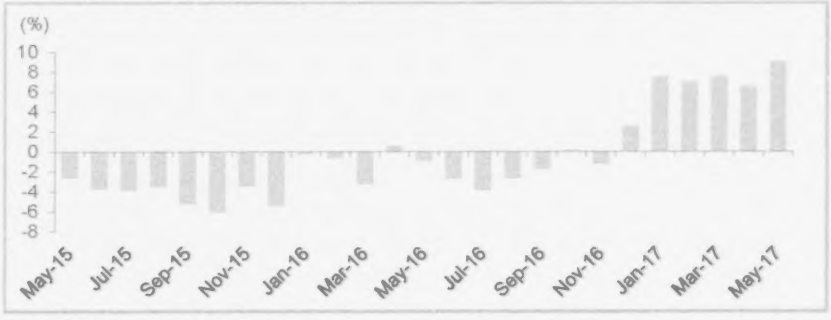
[1] Seasonally adjusted

Inflation and Earnings
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

Housing Market
Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

Contact

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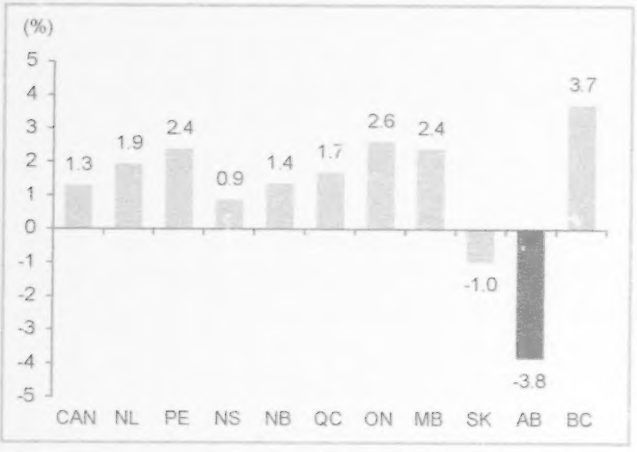
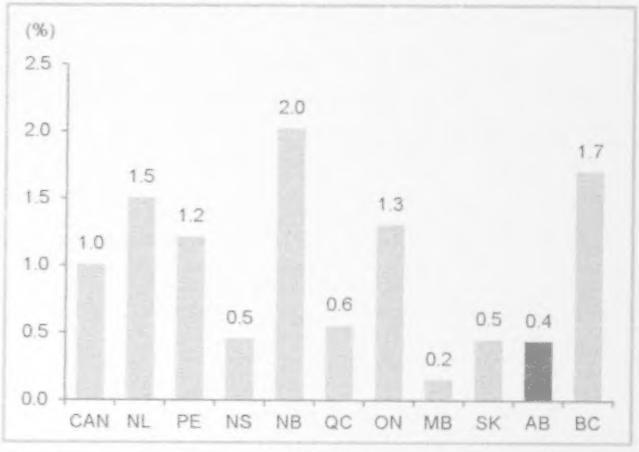
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (August 3rd, 2017)	79.50	49.03	2.80	2.46 (May)
Fiscal year-to-date	75.42	47.85	3.08	2.40

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

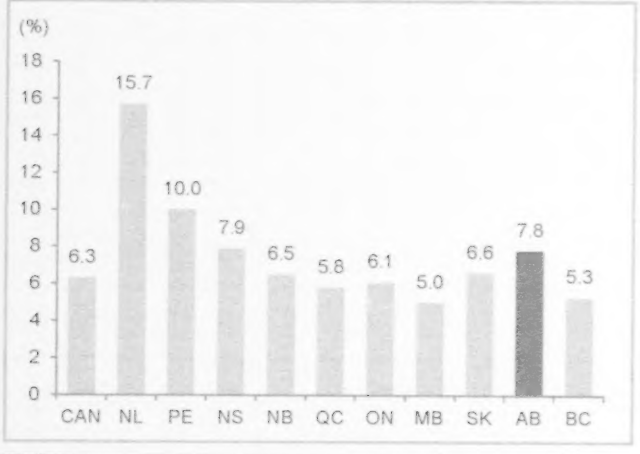
Real GDP by Industry
(2016, year-over-year growth)



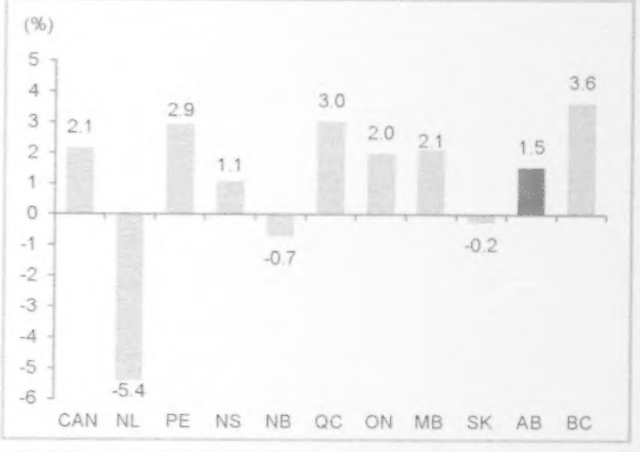
CPI Inflation
(June 2017, year-over-year growth)



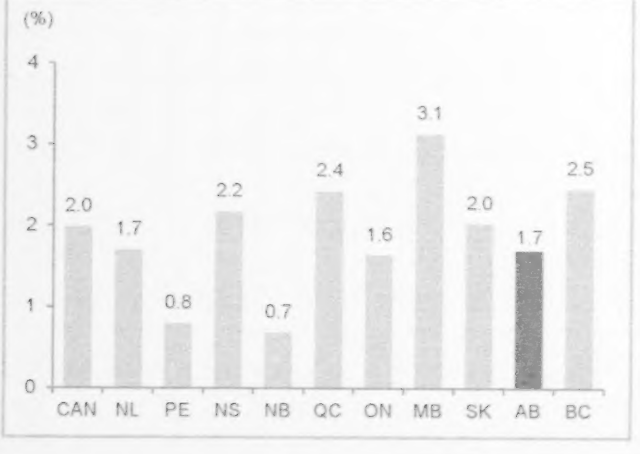
Unemployment Rate
(July 2017)



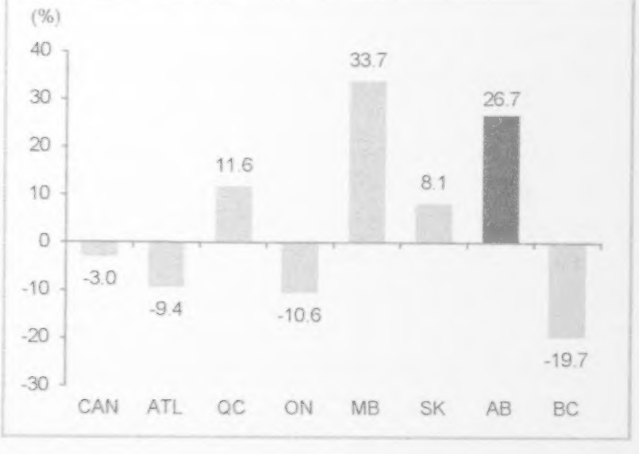
Employment
(July 2017, year-over-year growth)



Average Weekly Earnings
(May 2017, year-over-year growth)



Housing Starts
(June 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2015	2016	2017YTD	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
NEW Alberta Activity Index (y/y % change)	3.0	-4.4	4.9	2.3	5.7	4.8	10.1		
Population[1]									
Population (thousands)	4,180	4,253	4,292			4,292			
y/y % change	1.7	1.8	1.4			1.4			
Net Interprovincial Migration	21,594	2,877	8,815			2,392			
Net International Migration	16,743	43,041	23,657			7,086			
Labour Market									
NEW Employment (thousands, SA)	2,301	2,264	2,284	2,269	2,289	2,286	2,291	2,299	2,284
m/m change (thousands)				1.3	20.4	-0.7	2.1	7.5	14.4
y/y % change	1.2	-1.6	0.8	0.2	0.1	0.8	1.8	2.2	1.5
NEW Unemployment Rate (%, SA)	6.0	8.1	8.1	8.3	8.4	7.9	7.8	7.4	7.8
NEW Participation Rate (%, SA)	73.0	72.5	72.6	72.5	73.1	72.7	72.5	72.4	72.2
Average Weekly Earnings ($, SA)	1,146	1,119	1,117	1,109	1,119	1,125	1,120		
y/y % change	0.3	-2.4	-0.1	1.1	0.7	0.5	1.7		
Household Sector									
Retail Sales ($ million, SA)	76,019	75,110	33,498	6,674	6,650	6,707	6,812		
y/y % change	-4.0	-1.2	7.5	7.0	7.5	6.5	9.0		
New Vehicle Sales (units, thousands)	242	224	102	17	23	24	24		
y/y % change	-12.7	-7.6	12.0	5.4	15.1	15.0	17.2		
Consumer Price Index (y/y % change)	1.1	1.1	1.5	2.2	1.3	1.7	1.2	0.4	
Excluding Food & Energy	2.3	1.7	1.3	1.8	1.3	1.0	0.9	0.7	
Housing Starts (SAAR, 000's)	37.3	24.5	29.1	26.4	35.0	31.1	32.6	30.8	
y/y % change	-8.1	-34.2	21.8	15.9	58.7	8.6	47.3	26.7	
New Housing Price Index (y/y % change)	0.7	0.5	-0.6	-0.4	0.4	-0.5	-0.8		
Resale Home Sales	56,225	51,959	28,497	4,974	4,790	4,814	4,545	4,620	
y/y % change	-21.3	-7.6	11.7	24.7	13.8	10.0	4.5	3.3	
Sales to New Listing Ratio	0.52	0.49	0.51	0.57	0.52	0.51	0.45	0.45	
MLS Average Resale Prices ($ thousands)	394	395	399	390	402	401	402	405	
y/y % change	1.9	0.4	2.7	1.0	4.0	2.6	2.3	3.9	
NEW Consumer Bankruptcies (level)	4,280	5,497	2,188	426	504	407	460		
y/y % change	10.9	26.8	-7.6	-11.8	-2.1	-18.6	4.2		
Business Sector									
NEW Goods Exports (customs based,$ million)	92,441	79,134	51,226	8,192	9,230	8,214	8,918	8,169	
y/y % change	-24.0	-14.4	42.7	40.2	61.8	52.8	59.8	31.1	
NEW Energy Products ($ million)	62,500	51,780	35,951	6,041	6,377	5,556	6,304	5,611	
y/y% change	31.5	-17.2	61.1	64.8	91.9	78.3	83.1	38.3	
NEW Agricultural Products ($ million)	6,474	6,269	3,759	527	695	615	710	582	
y/y % change	0.2	-3.2	18.1	8.1	22.3	0.2	23.2	17.3	
NEW Rigs Drilling	120	79	128	188	148	85	61	87	119
y/y% change	52.6	-34.0	106.0	67.0	227.6	193.9	143.7	112.8	103.6
Manufacturing Shipments ($ million, SA)	68,483	62,560	29,362	5,739	5,883	6,011	6,089		
y/y% change	-13.9	-8.6	16.3	16.3	17.8	16.0	18.4		
Wholesale Trade ($ million, SA)	79,380	71,765	32,291	6,361	6,476	6,474	6,764		
y/y% change	-6.3	-9.6	7.7	6.2	8.8	9.2	16.3		
Building Permits ($ million, SA)	16,753	14,200	5,636	1,117	1,112	1,002	1,184		
y/y% change	8.2	-15.2	-3.9	22.1	10.0	-21.7	16.1		
Residential Permits ($ million, SA)	9,876	7,930	3,391	661	695	662	747		
y/y % change	8.8	-19.7	12.0	1.7	36.7	1.8	33.8		
Non-Residential Permits ($ million, SA)	6,877	6,270	2,245	456	417	340	437		
y/y% change	7.4	8.8	-20.9	41.8	17.1	43.8	-5.3		
Non-Res. Building Cons. Price Index[2] (y/y % change)	0.7	2.8	-0.9		0.9				

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision